

Restaurant Revitalization and Dram Shop Clarification Act

Passed by DC Council in 2024, the **Restaurant Revitalization and Dram Shop Clarification Act** is a package of benefits for small business owners that lowers insurance costs, streamlines ABC licensing, and creates a safe harbor law for service fees.



Restaurateur Jeff Miskiri, Miskiri Hospitality Group

What does the new law do?

► **Lowers insurance costs.**

By adding definitions and standards to liquor liability law, the legislation brings the District's insurance ranking, previously second worst in the US, in line with the region and similar metro areas.

► **Streamlines ABC Manager licensing.**

Businesses can now license up to 5 ABC Managers for \$390 a year. [Learn more here.](#)

► **Establishes permanent delivery rules.**

The legislation prohibits delivery services from excluding restaurants from searches within 4 miles of their location or limiting available drivers. It also requires delivery services to explain fees to restaurants in plain language and restaurants to provide drivers restroom access.

► **Caps restaurant service fees at 20%.**

The law caps restaurant service fees at 20%. Service charges for catering and similar contracted services are capped at 25%.

► **Creates a safe harbor law for service fees.**

The legislation protects restaurants from frivolous lawsuits and penalties when:

- The service fee is prominently displayed and is easily read from the restaurant entrance, on its menu, and on its website.
- The restaurant explains the purpose of the service fee and what proportion (if any) goes toward staff wages.

► **Additional Measures**

The new law also:

- Creates a legal presumption to exclude service charges from restaurant rent in cases when it's unclear.
- Repeals a 2018 law for payroll companies to enter tipped wages on an online District portal, which was never built.

DC Tipped Wage and Anti-Harassment Training Frequently Asked Questions

DC Tipped Wage Increases

July 1, 2024	\$10 per Hour
July 1, 2025	\$12 per Hour
July 1, 2026	\$14 per Hour
July 1, 2027	Matches Minimum Wage



Restaurateur Jeanine Prime, Cane and St. James

District voters in 2022 passed ballot Initiative 82, phasing out the tipped wage over several years until it is eliminated.

► **What is the tipped wage in the District of Columbia?**

As of July 1, 2024, the tipped wage is \$10 per hour.

By law, employers must ensure that tipped workers earn at least the minimum wage when tips and hourly wage are combined.

► **What is the minimum wage in the District of Columbia?**

As of July 1, 2024, the minimum wage is \$17.50 per hour.

The minimum wage also increases every July 1 based on the change in the Consumer Price Index for the Greater Washington area.

► **Are workers who are paid the tipped wage required to take anti-harassment training?**

Yes, along with the business' owners, managers, and non-tipped workers. By law, all employees of a business that pays any workers the tipped wage must complete anti-sexual harassment training every two years. New employees must complete the training within 90 days of hire.

Training must be conducted by a District of Columbia-certified trainer.

► **Can anti-harassment training be taken online?**

Yes. By legislation passed in 2024, all employees, including managers, can complete the training online.

► **Where do I find a trainer?**

Find a list of certified trainers at ohr.dc.gov/page/tipped-wage-workers-fairness-act.

► **My business pays all employees at least the minimum wage of \$17.50 per hour. Are we required to complete anti-harassment training?**

No. The law only applies to businesses that pay any workers the tipped wage.